

REAL ESTATE COMMISSION
Professional & Vocational Licensing Division
Department of Regulatory Agencies
State of Hawaii

MINUTES OF MEETING

Date: Thursday, April 24, 1975

Place: Board Room, Department of Regulatory Agencies
1010 Richards Street, Honolulu, Hawaii

Present: Douglas R. Sodehani, Chairman
Herbert S. Isonaga, Vice Chairman
Mrs. Mary V. Savio, Member
Tadayoshi Ishizu, Member
John D. Texeira, Member
John M. Urner, Member
Ah Kau Young, Member

E. John McConnell, Deputy Director
Clyde E. Sumida, Deputy Attorney General
Yukio Higuchi, Executive Secretary
Mrs. Karen Hirota, Stenographer

George "Red" Morris, Executive Vice President of Hawaii Assn.
of Realtors

Wesley Park, Director of Small Business Management, University
of Hawaii

Milton Motooka, President of Hawaii Assn. of Real Estate Schools

Mrs. Arden Moore, Vitousek Real Estate Schools, Inc.

Mrs. Mary Shern, Mary Shern School of Real Estate

John Stapleton, John Stapleton School of Real Estate

John Reilly, John Stapleton School of Real Estate

William F. Gleason, Applicant for Salesman License

Frank Adams, Lone Star Properties

Galen Leong, Attorney for Lone Star Properties

Robert W. Hall, Applicant for Restoration of Salesman License

John Ray, Video Listings, Inc.

James Shiroma, Complainant on Oceanview Ventures

Call to Order: There being a quorum, Chairman Sodehani called the meeting to
order at 9:05 a.m.

Minutes: Ah Kau Young moved and Tadayoshi Ishizu seconded to approve the
minutes of March 27, 1975 meeting as circulated
unanimously carried.

Introduction of E. John McConnell appeared before us and reported that the new
Deputy Director: Director, Wayne Mami, reviews all divisions to report and try
to clean up old complaints. The Deputy Director announced that he
has discussed some of the old pending complaint cases with Clyde
Sumida, Deputy Attorney General.

Continuation
of Hearing:

Douglas C. K. Tom, Applicant for Real Estate Salesman's License

Executive Secretary recommended that the formal hearing on Douglas C. K. Tom be postponed to the next meeting date, inasmuch as, Tom did not respond to receiving notice of continuation of hearing.

John Texeira moved and Tadayoshi Ishizu seconded to postpone the continuation of hearing to the next meeting.
Motion unanimously carried

Informal
Conference:

William F. Gleason, Applicant for Real Estate Salesman License

William F. Gleason waived his right to a formal hearing and would like to receive his salesman's license. Gleason presented his case to the Commission after which Chairman Sodeani informed him the Commission would take it under consideration and will advise him.

Herbert Isonaga moved and Mary Savio seconded to approve Gleason's application.
Motion unanimously carried.

Committee
Reports:

Real Estate Educational Advisory Council

Applications for Instructor's Certificate

Executive Secretary reported that he had received applications for instructor's certificate from the following three persons, but no action can be taken at this time because all three applications were incomplete.

Richard Breton (Salesman Course)
James Arthur Bond (Salesman Course)
Margaret A. Sussex (Mathematics)

Mary Savio moved and Herbert Isonaga seconded to defer action on all three applications.
Motion carried.

Mary Shern's Letter Re: Real Estate School of St. Michael

Executive Secretary read a letter from Mrs. Mary Shern dated March 21, 1975, advising the Commission that Subdividers, Inc. dba Mary Shern School of Real Estate had entered into an agreement to operate the Real Estate School of St. Michael. The Commission found no need to act on this, because the school is accredited by the Commission.

Real Estate Educational Seminar

Executive Secretary reported that he had contacted Wesley Park as a request for a seminar involves for the six seminars completed, and upon receipt of the separate invoice the bills will be paid.

Continuing Education (S.B.M.F.)

Executive Secretary reported that Wesley Park is working with him on the contracts, which will be submitted by the next meeting. Chairman Sodeani appointed Wesley Park to write the drafts for the Continuing Education program.

Educational Consultant

Executive Secretary reported that Wesley Park is working with him to prepare the proposal for approval. The Commissioners were in agreement that we should advertise this position for open bids when we are ready to select the consultant.

Real Estate Chair

Executive Secretary had no progress report to make on this project. Chairman Sodeani appointed Mary Savio to assist the Executive Secretary on this project.

Purchase of Film "On the Move"

The Executive Secretary questioned the Commission as to the purpose for purchasing this film, and he was advised that the film will be made available on loan to PTA groups, and other community clubs and organizations for their general interest in real estate.

Book Donations

Executive Secretary reported that the checks to purchase the books have been distributed to the public and University library systems.

Condominium Review Committee

Committee Chairman John Urner reported that H.B. 1875 was amended by the Legislature. The amended form contains the provisions introduced in H.B. 1755 and the indications are that H.B. 1875 in its amended form will be passed. He further reported that his committee will be working on S.R. 399, which requests that the Commission review problems relating to the Horizontal Property Regimes Act, and to enact rules and regulations or recommend corrective legislation.

John Urner recommended that a resolution be sent to George "Red" Morris, Executive Vice-President of the Hawaii Association of Realtors, to express the Commission's appreciation for the support and assistance he rendered to the Commission during the 1975 legislative session. Chairman Sodeani directed John Urner to draft the resolution and to forward same to John Morris, Chairman of the Hawaii Association of Realtors.

Legislation Committee

Licensing Law

H.B. 429

Executive Secretary reported that this bill was passed.

Condominium Law

(See Condominium Review Committee Report)

Real Estate Recovery Fund

Executive Secretary distributed copies of the Real Estate Recovery Fund report. He further reported he will prepare the proposed budget for the next fiscal year.

Attorney General's Report

Instructors' Pledge

Clyde Sumida was requested to study the pledge that all instructors are required to sign and to report his thoughts. Sumida reported that, if the Commission wishes to enforce the provisions in the pledge, the Commission should adopt rules and regulations to this effect. Sumida suggested that the Commission go over all their policies pertaining to education and adopt them as rules and regulations.

T.V. and Radio Personalities

Clyde Sumida was asked for his opinion as to whether a T.V. or radio personality, who does not have a real estate license should be allowed to make a T.V. or radio commercial involving land sales or condominium sales. It was Sumida's opinion that these personalities were soliciting sales, and therefore, they should be licensed. The Executive Secretary reported that at this time, we have received no complaint on this matter. The Commission made no policy decision on this matter.

Department Complaint Division

Sumida reported that he had a meeting with the Deputy Director and they discussed initiating a new procedure in handling of investigation reports. The Department complaint office will review the cases and make its recommendations to the Department hearing officer. Sumida suggested that one or two commission members sit down with the hearing officer to discuss the case and make sure the Commission has kept control over it.

Business Out
of Minutes

Questions and Applications

John V. Hall, Applicant for Real Estate License

John V. Hall reported that he had been accepted for the

exception to the hearing officers recommendation that he be denied the restoration of his salesman's license. He was given an opportunity to make any statement he wished before the Commission acted on the matter. Chairman notified the applicant that we will take this matter under advisement and will notify him of the Commission's decision.

John Texeira moved that we accept the motion of the hearing officers. Herbert Isonaga seconded the motion. Motion carried.

Calvin W. Ontai, Applicant for Real Estate Broker License

Executive Secretary reported that the matter has been set for hearing on May 21, 1975. E. John McConnell was appointed as hearing officer.

Ine Realty, Inc.

Executive Secretary reported that this is the application from Soo Hyun Realty in which Laura Light is the broker. The Commission had earlier denied the application on the grounds that Soo Hyun may be the surname of a unlicensed person. Now the applicant is asking for approval to register under the name of Ine Realty, Inc. The name, Ine, means good health in Korean and Laura Light claims that it is not a surname. This was confirmed. The Executive Secretary recommended the Commission approve the application.

Ah Kau Young moved and Tadayoshi Ishizu seconded to approve. Motion carried.

Edward Bendet's Request for Registration of Agricultural Condominium

The Executive Secretary advised the Commission that, in furtherance of his client's desire to create an agricultural condominium, Edward Bendet has submitted evidence that the Department of Land Utilization, C & C of Honolulu, had been presented with their proposal to establish a condominium of forty 1,000 square foot garden plot units, and the Director of Land Utilization has suggested that the proposed use be considered without the subdivision of land because the proposal does not conform to the Subdivision Regulations of the City.

The Commissioners raises the question as to whether the law intends to allow the creation of an agricultural condominium as proposed. Although Bendet considers the tool sheds as the apartments, some members felt that the tool sheds should not be considered as apartments, but it should be considered as apartments. So the apartment as defined in Article 14-1 of the City Code. The Commissioners were in agreement that this matter should be given more study and consideration before rendering the decision to Bendet.

NARELLO Western District Enforcement Conference

Executive Secretary reported that he has written to George Oakes of Washington Real Estate Commission but has not received any word as of yet.

E.T.S. Examination Advisory Committee Meeting

Executive Secretary reported that the request for approval to travel has been approved. The Executive Secretary and Mary Savio will be attending the meeting set for May 1, 1975. They will also attend the NARELLO board of directors meeting as guests.

Investigations:

RE-518 Singleton Associates

The Executive Secretary reported that the continuation of hearing has been scheduled for May 13, 1975.

RE-528 Durrel Robison

The Executive Secretary reported that he had made contact with Hiserotes, the complainant, who had moved to Washington. Hiserote wrote requesting the Commission to pay the plane fare to appear for the hearing continuation. The Executive Secretary was directed to notify them that they should pay their own fare.

RE-547 Durrel Robison

The Executive Secretary reported that the hearing report is in the process of being typed, and as soon as it is signed by the hearing officers, it will be transmitted to the respondent and all Commission members.

RE-553 Bernice Midkiff

The Executive Secretary reported that the Deputy Director has been informed of all pending complaints that were referred to the Attorney General's office. The Deputy Director is in communication with Clyde Sumida and arrangements are being made to expedite the resolution of this case.

RE-571 Benjamin E. Ayson

(Same as reported above)

RE-574A Joyce Watt

(Same as reported under RE-553 Bernice Midkiff)

RE-574B Wallace Sanger

(Same as reported under RE-553 Bernice Midkiff)

RE-565 Read Realty, Inc.

(Same as reported under RE-553 Bernice Midkiff)

RE-582 Albert Kanahele

(Same as reported under RE-553 Bernice Midkiff)

RE-586 Harbor Lights Condominium

Executive Secretary reported that he has discussed this matter with Ian MacDonald, Vice President of Honofed Corp. MacDonald has notified the Executive Secretary that they are meeting with the complainant to attempt to reach settlement on the complaint. The Executive Secretary is expecting a status report from MacDonald.

RE-594 Honolulu Realty

Executive Secretary read the supplemental investigation report made by Pat Glaser, investigator. In view of the findings, Executive Secretary feels there is no violation and recommended dismissal of the case.

Mary Savio made a motion to warn Sventenko's broker that she is responsible for the activities of her sales staff and he should be aware of all their real estate activities. John Teixeira seconded. Motion carried.

The Complaint Committee composed of Herbert Isonaga, Clyde Sumida, Ah Kau Young and Yukio Higuchi met on April 17, 1975 to review complaints filed from RE-591 to RE-529 and RE-600.

RE-591 Oceanview Ventures

Mr. James Shiroma, the complainant against Oceanview Ventures, appeared to present his case before the Commission. He feels that he has been discriminated or mislead in areas involving the contract and his request for changes in construction. Chairman advised Shiroma that the Commission will take his statements under advisement and let him know whether there is a violation. If there is a violation, then there will be a process for hearing.

Executive Secretary reported that it was the recommendation that the Commission dismiss the complaint on the basis that there was no wrong doing or misrepresentation by the broker or sales agent.

John Teixeira moved and Mary Savio seconded. Motion carried.
(John Isonaga abstained from voting)

RE-593 Iris Ribor

Executive Secretary reported it was the feeling of the committee that the Commission advise the complainant that because it is her word against the respondent, the Commission is not able to proceed

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with disciplinary action against the respondent. However if she can provide us with further evidence that misrepresentation was made, the Commission would be willing to reconsider the complaint.

John Texeira moved to accept the recommendation of the committee, and John Urner seconded.
Motion carried.

RE-593 Jerry A. Y. Ching

Executive Secretary reported that the committee recommended a hearing be held on false advertising.

John Texeira moved to accept the recommendation, and Tadayoshi Ishizu seconded. Motion carried.

In the event the Department cannot handle the hearing, then the Commission will take over. The Chair tentatively appointed John Texeira and Ah Kau Young as hearing officers.

RE-595 Empire Properties International

Executive Secretary reported that it was recommended by the committee that a hearing be held against the principal broker and all licensed officers of the corporation for misrepresentation and/or fraudulent or dishonest dealings. Chairman Sodegami suggested that this case be directed to a hearing officer. It was recommended that E. John McConnell be appointed as hearing officer.

Tadayoshi Ishizu moved and John Texeira seconded to accept the committee recommendation. Motion carried.

RE-596 Harold Basker

Executive Secretary reported that the Commission requests an investigator to contact Harold Basker to determine his role in this complaint. The question was raised as to whether he made the misrepresentation that has been lodged against him and where he got the information. The Chair so ordered.

RE-597 Spencer and Dorothy Battle

Executive Secretary reported that the Committee recommended that we advise the complainant that the respondent has ceased their unlicensed activity and that the complainant notify us if the Battles should ~~ev~~ start again. Executive Secretary recommended to dismiss the case.

Ah Kau Young moved and Tadayoshi Ishizu seconded to accept the committee recommendation. Motion carried.

RE-600 Ernie L. Forde

Executive Secretary reported that the Committee recommended we advise the complainant that there was no violation, inasmuch as the second copy which was prepared, was prepared in the complaint's presence and that both parties signed the second copy

Tadayoshi Ishizu moved and Ah Kau Young seconded that there was no violation found. Motion carried.

RE-529 International Syndications Inc.

John Texeira moved and Ah Kau Young seconded to the recommendation by the committee that we advise the complainant that the respondent is no longer in business and the licenses of the corporation and officers have been terminated, so no further disciplinary action can be taken against the licensees. Motion carried.

RE-579 Ernie L. Forde

Executive Secretary was directed to refer this matter to the Complaint Review Committee.

RE-604 Thomas Nakahara Realty

(Same action as above)

New Business:

Licensing

CORPORATIONS:

American Investment-Mortgage Corp., dba AIMCO - 841 Bishop St.
#1801, Honolulu

David A. Dawes-PB

A.D. Azcueta & Sons Co., Inc. - 675 No. King St., Honolulu

Lino E. Juan-PB NOTE: A.D. Azcueta has no license.

Hale Eka Realty, Inc. - 1975 S. Kihei Rd., Kihei, Maui

Edgar D. Kerr-PB

Ideal Homes Inc. - 1152 Bishop St., #805A, Honolulu

Nancy K. Foos-PB

Mauka Development Corp. - 310-3 Ala Maha Pl., Kahului, Maui

Philip E. Mulligan Jr.-PB

Felipe Pomar & Associates Inc. - 1127 11th Avenue #205, Honolulu

Felipe G. Pomar-PB

Quality Mgmt. Corp. - 680 Ala Moana Blvd. #404, Honolulu

Evelyn P. Williams-PB

Executive Secretary sees no impediment on the corporations except for:

A.D. Azcueta & Sons Inc., in which A.D. Azcueta is not a licensed broker.

Ah Kau Young moved and John Urner seconded to approve all applications except the A.D. Azcueta & Sons, Inc. Motion carried.

BRANCH OFFICES:

Ted Awana Realtor, Br-1 - 1215 Hunakai St. #206, Honolulu
Theodore K. Awana-BIC
Clint Childs, Inc., Br-1 - Kuhio Hwy., Hanalei, Kauai
Paula J. Irons-BIC
Herbert K. Horita Realty, Inc., Br-3 - 2500 Kalakaua Ave., Honolulu
Herbert K. Horita-BIC
Ann Jefferies, Inc., Br-1 - 767 Kailua Road, Kailua
Jean C. McKown-BIC
Tropic Shores Realty, Ltd., Br-4 - 1993 Kihei Rd. #202, Kihei, Maui
Joseph Kahauolopua-BIC

Tadayoshi Ishizu moved and Ah Kau Young seconded to approve all branch office applications with the exception of:

Ted Awana Realtors

and further, that the application of Ted Awana be approved by the Executive Secretary upon the removal of "Realtor" from Ted Awana Realtor.
Motion carried.

TRADENAME:

Blackshear & Associates - 1412 Colburn St., Honolulu
(Il zoning - applicant advised)
Robert C. Blackshear, dba
Jean Cooper - 2170 Kalakaua Ave. #232, Honolulu
Elizabeth J. Cooper, dba
The Lands-Man - Waiakoa Theater Bldg., Box 211, Kula, Maui
Stuart W. Dalton, dba
Joe Pacquing Realty - 925 Bethel St. #301, Honolulu
Joselito C. Pacquing, dba
Real Estate Maui - Lahaina Mkt. Pl., Front St., Lahaina, Maui
Pauline Williams, dba

Ah Kau Young moved and John Texeira seconded to approve the above applications for tradenames.
Motion carried.

CHANGE OF NAME:

From Reliance Industries Inc., dba RELIANCE REALTY & MANAGEMENT to:
Reliance Industries, Inc., dba RELIANCE REALTY

Ah Kau Young moved and Tadayoshi Ishizu seconded to approve the above application for change of name.
Motion carried.

Questionable
Applications:

Patrick M. Miyashiro, Applicant for Real Estate Salesman License

Mary Savio moved and Tadayoshi Ishizu seconded to deny the application on the grounds that Miyashiro failed to apply for his license within the one year deadline period. Motion carried.

Ralph Cornuelle, Applicant for Real Estate Salesman License

Ah Kau Young moved and Tadayoshi Ishizu seconded to deny the application of Cornuelle on the grounds that he failed to apply for his license within the one year deadline period. Motion carried.

James R. Drake, Applicant for Real Estate Salesman License

Ah Kau Young moved and John Texeira seconded to deny the application of Drake on the grounds that he failed to apply for his license within the one year deadline period. Motion carried.

Miscellaneous:

Hawaii Association of Real Estate Schools

Milton Motooka, John Stapleton, John Reilly, Mrs. Arden Moore, and Mrs. Mary Shern appeared to discuss the past real estate examination. Milton Motooka stated that the State law section of the exam raised the most commotion.

After much discussion, the Commissioners were in agreement that members of the Commission will review the State law section together with Milton Motooka and then take action. Chair appointed Herbert Isonaga and Mary Savio to meet with Milton Motooka to conduct the review and to take whatever action they deemed proper.

The Commission requested the assistance of Milton Motooka in the area of education requirements and guidelines for equivalent experience. Ah Kau Young was directed by the Chair to work closely with the Hawaii Association of Real Estate Schools for possible adoption of provisions related to education into the Commission's rules and regulations.

Video Marketing Service by Video Listing, Inc.

Mr. John Ray appeared before the Commission to explain his proposal to offer video marketing service to licensed real estate brokers. After a question and answer period, Ray was advised that he would be notified of the Commission's opinion as to the service he proposes to offer to brokers.

After discussion, Ah Kau Young moved and Tadayoshi Ishizu seconded that the Commission take the position that Ray does not require a real estate license to perform the services he outlined with the exception of the activities he proposed to perform at his video lounge. (It was felt that the services Ray will provide in the video lounge is considered a part of solicitation of sale.) Motion carried.

Issuance of Certificate with "Realtor" in Name

The Commission took the position that any broker previously licensed with the word "Realtor" in his name will not be granted a branch office license, unless they delete the word "Realtor" from their name and have their principal office certificate changed accordingly. This will require the reissuance of all ID cards of employees.

Policy on Extension of Effective Period of Public Reports

Frank Adams of Lone Star Properties, Inc. and his attorney, Galen Leong requested extension for an expired HPR public report.

Leong explained that during the expiration period of the public report, his client had entered into contract with ten purchasers. Mary Savio moved and Herbert Isonaga seconded that the effective period of the public report be extended, provided that the developer write to all ten purchasers advising them of the extension of effective period and they acknowledge receipt of the extension notice.
Motion carried.

Correspondence:

E.T.S. Letter Re: Irregularity at Maui Community College on November 9, 1974

The Executive Secretary read E.T.S.'s letter of April 16, 1975, regarding irregularity at Maui Community College on November 9, 1974. E.T.S. reported that the disturbance did not occur until the end of the examination and by that time, very few candidates were remaining in the test room. The disturbance lasted only ten minutes. E.T.S. further reported that they do not feel that an adjustment can be made at this time.

The Commission requested a copy of the letter be given to Lydia Pai.

Burton W. Robert's Letter Re: April 12, 1975 Real Estate Salesman Examination

Chair directed Mary Savio to answer Mr. Robert's letter.

Irmagard Kop Davis's Letter Re: April 12, 1975 Real Estate Broker Examination

Chair directed Mary Savio to answer Irmagard Kop Davis's letter.

JoAnn Stewart's Letter Re: April 12, 1975 Real Estate Examination

Chair directed Mary Savio to answer JoAnn Stewart's letter.

Announcements: Chairman Sodetani made an announcement that Mary Savio has been reappointed to the Commission for four years.

Chairman Sodetani read a letter of recognition to Alvin Yamamoto from Colin de Silva, President of Business Investment, Inc. Chair directed that a copy of the letter be forwarded to the Director of Regulatory Agencies.

Date of
Next Meeting: Thursday, May 29, 1975, at 9 a.m.

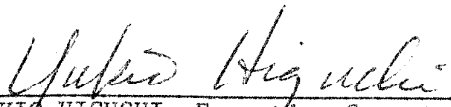
Adjournment: There being no further business, Chairman Sodetani adjourned the meeting at 3:50 p.m.

Taken and recorded by:



Karen Hirota, Stenographer

Approved by:



YUKIO HIGUCHI, Executive Secretary